HOUSING NOW

Charlottetown CA

Canada Mortgage and Housing Corporation

Date Released: Second Quarter 2009

Multiple Starts Decreased in the First Quarter of 2009

For the past seven years, the Charlottetown housing market has been performing at an above average level. However, recent trends indicate that the market is returning to more sustainable levels. The most recent cycle of residential construction, which started in 2002, was spurred on by low interest rates, strong employment growth, positive migration, low vacancy rates and relatively low home prices. While some of these positive factors are still at work, particularly low interest rates and in-migration, they will not be enough to fully offset the expected decline in single starts.

Total housing starts in PEI declined in the first quarter of 2009 to 44 units compared to 65 units in 2008. This decrease was the result of

Figure 1

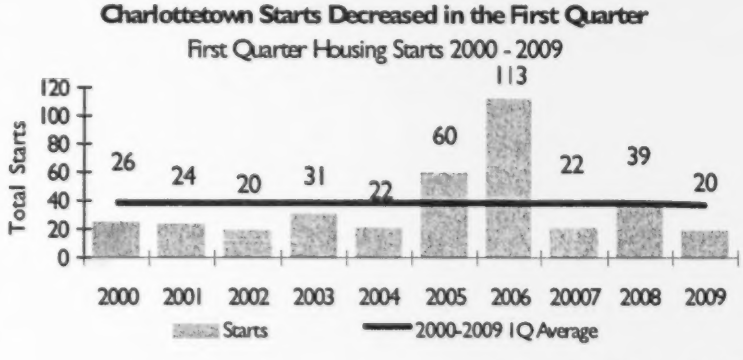


Table of contents

1 Multiple Starts Decreased in the First Quarter of 2009

2 Average Absorbed Price Sets a New Record High

3 MLS® Sales Activity Slowed in the First Quarter

4 Map of Charlottetown Total Number of Starts

5 Index of Tables

6 Report Tables (6-16)

17 Glossary of Terms, Definitions, and Methodology

SUBSCRIBE NOW!

Access CMHC's Market Analysis Centre publications quickly and conveniently on the Order Desk at **www.cmhc.ca/housingmarketinformation.** View print, download or subscribe to get market information e-mailed to you on the day it is released. New ! CMHC's electronic suite of national standardized products is now available for **free**.

Canada

CMHC SCHL

HOME TO CANADIANS

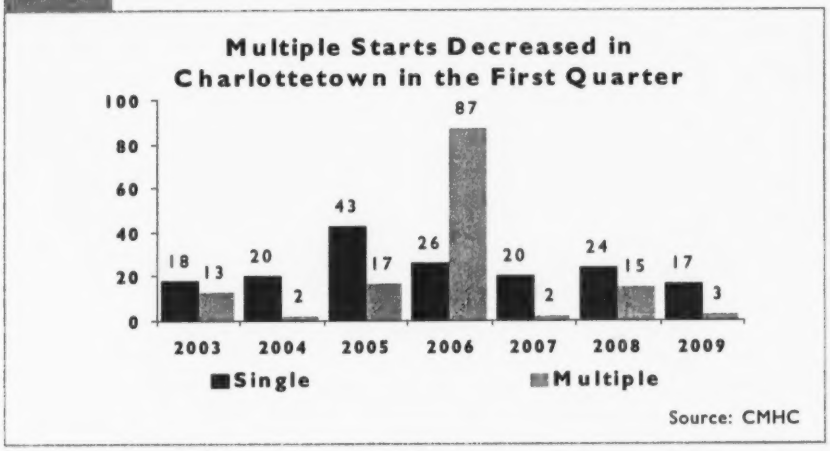
fewer starts across all unit types, primarily in the Charlottetown area. On a provincial basis, single starts receded to 31 units in the first quarter, from 44 units during the same period in 2008. As mentioned above, multiple starts also posted a decrease, sliding to 13 units from 21 units in 2008.

Due to the harsh winter experienced this year and the heightened level of economic uncertainly, total housing activity in the Charlottetown area declined to 20 units in the first quarter from 39 units during the same period last year. Single starts in the Charlottetown area slowed to 17 units in 2009, from 24 units in 2008. Apartment starts recorded the largest decrease in the first quarter, with starts falling to three units, compared to 13 units during the first quarter of last year.

Single starts in the four submarkets that make up the Charlottetown CA were mostly lower in the first quarter. Charlottetown City proper posted the strongest results with seven new units, which was unchanged from 2008. Meanwhile the Town of Stratford posted a modest decline with four units this year compared to seven during the same period last year. Cornwall also saw less activity in the first three months of 2009, where starts slid to just one unit from three units last year.

Multiple starts experienced a more significant decline in the first quarter than single starts, as only three units were recorded this year, compared to 15 last year. The reason for this large decline is that a single apartment complex, containing 13 units, was started in the first quarter of 2008 and so far this year no projects have broken ground. It is expected though that apartment starts will have a good year in 2009 as a number of rental and condo projects are planned for the Charlottetown area. Semi-detached units are also expected to have another strong year in 2009, as they offer a more affordable housing option to potential buyers than the standard single-detached home. This has become increasingly relevant as the cost of a new single-detached home has increased, yet many buyers, both first-time buyers and move-up buyers, show a distinct preference for new property. Row units, which fared very well in 2008, are also expected to have a good year in 2009 as this type of project has proven popular with empty-nesters. As such expect to see both row and semi-detached units for homeownership become an increasingly larger portion of the local new home market.

Figure 2



Overall the Charlottetown market showed signs of slowing in the first quarter, and this trend is expected to continue in 2009, especially for single starts. Multiple starts should slow less in 2009 though as there are a number of apartment projects set to break ground, as well as several row and semi developments targeted to the homeownership markets.

Average Absorbed Price Sets a New Record High

The price of new a single-detached home in the Charlottetown area continued to advance in the first quarter, with the average price reaching $231,719 up from $206,836. This is the highest level on record for the area. In Charlottetown City proper the average price of a new home rose to $223,906, up from $210,714 last year. This jump in price in due to a number of factors including increases in the cost of land, labour and to a lesser extent materials. However, for the first quarter, consumer preferences were the

driving force behind the price increases. This can be seen in the ever increasing complexity of new homes with more intricate roof lines, higher-end finishes and larger footprints.

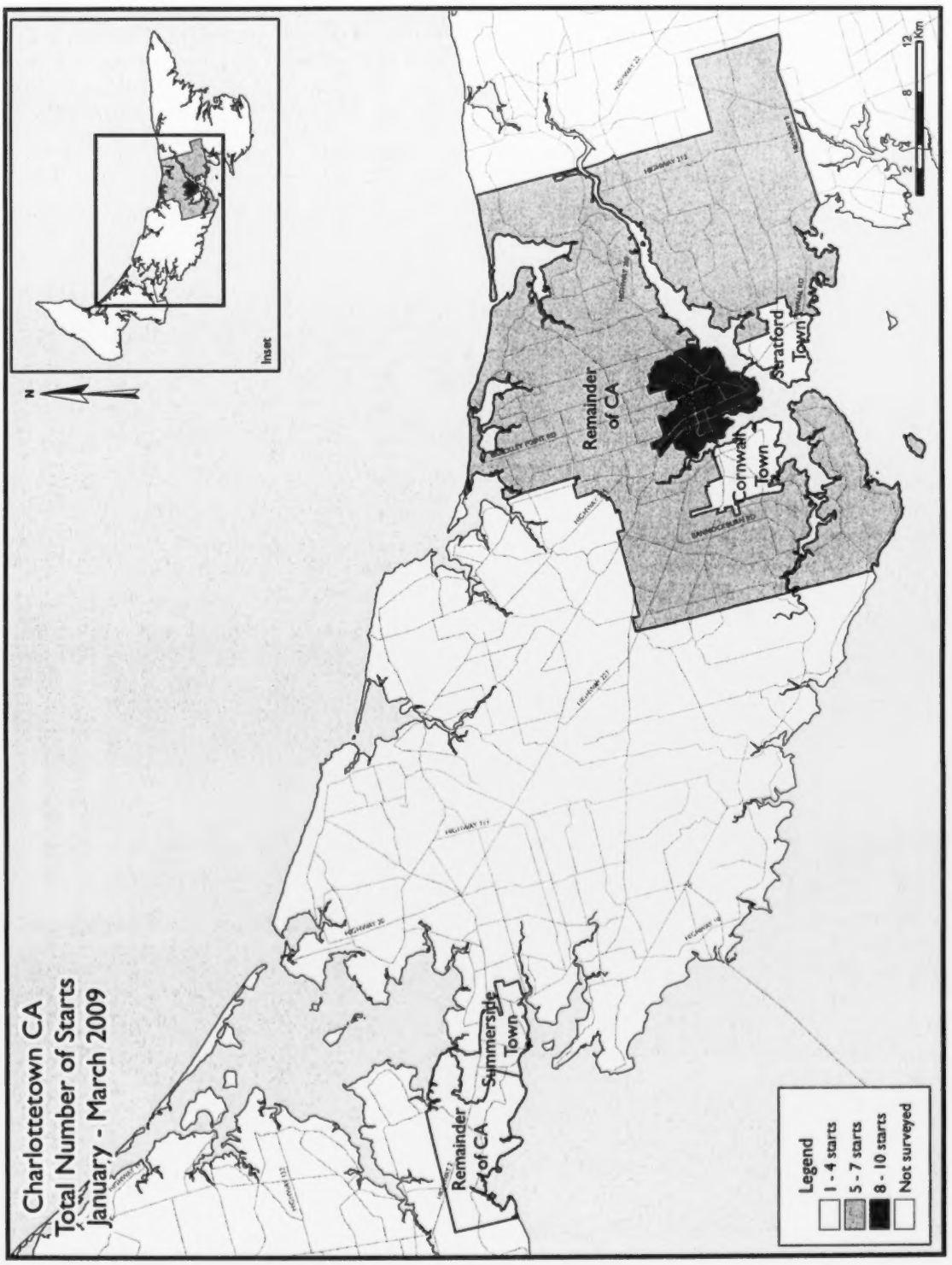
MLS® Sales Activity Slowed in the First Quarter

First quarter MLS® sales in Prince Edward Island slowed compared to the same period last year. This was not unexpected considering the heightened sense of uncertainty, which has resulted in households taking a wait and see approach before making major decisions such as purchasing a home. Despite the marginal decline in MLS® sales and new listings the average sale price continued to trend up in the first quarter.

New MLS® listings declined 22 per cent in the first quarter to 520 units, and as a result did not reach the ten-year average for the first time since 2005. The above average activity, which persisted for the three year period beginning in 2006 and ending in 2008, was due in part homeowners listing their properties in an effort to realize the capital gains from the recent appreciation of their homes. However, the surge in listings served to moderate price growth and to inflate the average days on market, as it increased the supply of homes from which potential homebuyers had to choose. With new listings now beginning to trend down 2009, one can expect that the average days on market will shorten and that the pace of average price growth will increase if sales maintain the current pace for the remainder of 2009.

MLS® sales in the province recorded a 6.5 per cent decline during the first quarter of 2009 with 202 sales as compared to 216 during the same period in 2008. The fact that the decline in the first quarter was minimal, especially when compared it to other centres in Canada, is further evidence of the strength continuing in the local resale market. Much of this demand for housing comes from the increased levels of in-migration and an economy that is more diverse now than it has ever been.

The average provincial MLS® sale price posted a strong result in the first quarter of 2009 with an 8.5 per cent increase over 2008. This increase pushed the average price of an existing home in PEI to $146,177, from $134,670 last year. Even with the current economic climate, the average sale price is still expected to increase in 2009, reaching a new record high.


Charlottetown CA
Total Number of Starts
January - March 2009
Inset
N
Remainder of CA
Stratford Town
Cornwall Town
Summerside Town
Remainder of CA
Legend
1 - 4 starts
5 - 7 starts
8 - 10 starts
Not surveyed
12 Km
8
2

HOUSING NOW REPORT TABLES

Available in ALL reports:

1	Housing Activity Summary of CMA
2	Starts by Submarket and by Dwelling Type – Current Month or Quarter
2.1	Starts by Submarket and by Dwelling Type – Year-to-Date
3	Completions by Submarket and by Dwelling Type – Current Month or Quarter
3.1	Completions by Submarket and by Dwelling Type – Year-to-Date
4	Absorbed Single-Detached Units by Price Range
5	MLS® Residential Activity
6	Economic Indicators

Available in SELECTED Reports:

1.1	Housing Activity Summary by Submarket
1.2	History of Housing Activity (once a year)
2.2	Starts by Submarket, by Dwelling Type and by Intended Market – Current Month or Quarter
2.3	Starts by Submarket, by Dwelling Type and by Intended Market – Year-to-Date
2.4	Starts by Submarket and by Intended Market – Current Month or Quarter
2.5	Starts by Submarket and by Intended Market – Year-to-Date
3.2	Completions by Submarket, by Dwelling Type and by Intended Market – Current Month or Quarter
3.3	Completions by Submarket, by Dwelling Type and by Intended Market – Year-to-Date
3.4	Completions by Submarket and by Intended Market – Current Month or Quarter
3.5	Completions by Submarket and by Intended Market – Year-to-Date
4.1	Average Price ($) of Absorbed Single-Detached Units

SYMBOLS

n/a	Not applicable
*	Totals may not add up due to co-operatives and unknown market types
**	Percent change > 200%
-	Nil
--	Amount too small to be expressed
SA	Monthly figures are adjusted to remove normal seasonal variation

Table 1a: Housing Activity Summary of Charlottetown CA
First Quarter 2009

	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
STARTS									
Q1 2009	17	0	0	0	0	0	0	3	20
Q1 2008	24	2	0	0	0	13	0	0	39
% Change	-29.2	-100.0	n/a	n/a	n/a	-100.0	n/a	n/a	-48.7
Year-to-date 2009	17	0	0	0	0	0	0	3	20
Year-to-date 2008	24	2	0	0	0	13	0	0	39
% Change	-29.2	-100.0	n/a	n/a	n/a	-100.0	n/a	n/a	-48.7
UNDER CONSTRUCTION									
Q1 2009	40	2	4	0	4	0	20	33	103
Q1 2008	39	4	0	0	0	13	0	0	56
% Change	2.6	-50.0	n/a	n/a	n/a	-100.0	n/a	n/a	83.9
COMPLETIONS									
Q1 2009	48	4	0	0	0	0	0	0	52
Q1 2008	83	8	0	0	0	0	0	11	102
% Change	-42.2	-50.0	n/a	n/a	n/a	n/a	n/a	-100.0	-49.0
Year-to-date 2009	48	4	0	0	0	0	0	0	52
Year-to-date 2008	83	8	0	0	0	0	0	11	102
% Change	-42.2	-50.0	n/a	n/a	n/a	n/a	n/a	-100.0	-49.0
COMPLETED & NOT ABSORBED									
Q1 2009	1	0	0	0	0	2	4	17	24
Q1 2008	1	0	0	0	0	0	0	17	18
% Change	0.0	n/a	n/a	n/a	n/a	n/a	n/a	0.0	33.3
ABSORBED									
Q1 2009	48	4	0	0	0	2	0	14	68
Q1 2008	83	8	0	0	0	6	0	21	118
% Change	-42.2	-50.0	n/a	n/a	n/a	-66.7	n/a	-33.3	-42.4
Year-to-date 2009	48	4	0	0	0	2	0	14	68
Year-to-date 2008	83	8	0	0	0	6	0	21	118
% Change	-42.2	-50.0	n/a	n/a	n/a	-66.7	n/a	-33.3	-42.4

Source: CMHC (Starts and Completions Survey, Market Absorption Survey)

Table 1.1: Housing Activity Summary by Submarket
First Quarter 2009

	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
STARTS									
Q1 2009	3	0	0	0	0	0	0	0	3
Q1 2008	2	0	0	0	0	0	0	0	2
% Change	50.0	n/a	n/a	n/a	n/a	n/a	n/a	n/a	50.0
Year-to-date 2009	3	0	0	0	0	0	0	0	3
Year-to-date 2008	2	0	0	0	0	0	0	0	2
% Change	50.0	n/a	n/a	n/a	n/a	n/a	n/a	n/a	50.0
UNDER CONSTRUCTION									
Q1 2009	6	0	4	0	0	0	0	0	10
Q1 2008	5	2	4	0	0	0	0	11	22
% Change	20.0	-100.0	0.0	n/a	n/a	n/a	n/a	-100.0	-54.5
COMPLETIONS									
Q1 2009	5	0	4	0	0	0	0	0	9
Q1 2008	8	10	8	0	0	0	0	0	26
% Change	-37.5	-100.0	-50.0	n/a	n/a	n/a	n/a	n/a	-65.4
Year-to-date 2009	5	0	4	0	0	0	0	0	9
Year-to-date 2008	8	10	8	0	0	0	0	0	26
% Change	-37.5	-100.0	-50.0	n/a	n/a	n/a	n/a	n/a	-65.4
COMPLETED & NOT ABSORBED									
Q1 2009	0	0	0	0	0	0	0	0	0
Q1 2008	0	0	0	0	0	0	0	0	0
% Change	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
ABSORBED									
Q1 2009	0	0	0	0	0	0	0	0	0
Q1 2008	0	0	0	0	0	0	0	0	0
% Change	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Year-to-date 2009	0	0	0	0	0	0	0	0	0
Year-to-date 2008	0	0	0	0	0	0	0	0	0
% Change	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Source: CMHC (Starts and Completions Survey, Market Absorption Survey)

Table 1.1: Housing Activity Summary by Submarket
First Quarter 2009

	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
STARTS									
Charlottetown City									
Q1 2009	7	0	0	0	0	0	0	3	10
Q1 2008	7	0	0	0	0	13	0	0	20
Stratford Town									
Q1 2009	4	0	0	0	0	0	0	0	4
Q1 2008	7	2	0	0	0	0	0	0	9
Cornwall Town									
Q1 2009	1	0	0	0	0	0	0	0	1
Q1 2008	3	0	0	0	0	0	0	0	3
Remainder of the CA									
Q1 2009	5	0	0	0	0	0	0	0	5
Q1 2008	7	0	0	0	0	0	0	0	7
Charlottetown CA									
Q1 2009	17	0	0	0	0	0	0	3	20
Q1 2008	24	2	0	0	0	13	0	0	39
UNDER CONSTRUCTION									
Charlottetown City									
Q1 2009	13	2	0	0	0	0	20	3	38
Q1 2008	7	2	0	0	0	13	0	0	22
Stratford Town									
Q1 2009	13	0	0	0	4	0	0	30	47
Q1 2008	20	2	0	0	0	0	0	0	22
Cornwall Town									
Q1 2009	6	0	4	0	0	0	0	0	10
Q1 2008	4	0	0	0	0	0	0	0	4
Remainder of the CA									
Q1 2009	8	0	0	0	0	0	0	0	8
Q1 2008	8	0	0	0	0	0	0	0	8
Charlottetown CA									
Q1 2009	40	2	4	0	4	0	20	33	103
Q1 2008	39	4	0	0	0	13	0	0	56

Source: CMHC (Starts and Completions Survey, Market Absorption Survey)

Table 1.1: Housing Activity Summary by Submarket
First Quarter 2009

	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
COMPLETIONS									
Charlottetown City									
Q1 2009	15	0	0	0	0	0	0	0	15
Q1 2008	21	6	0	0	0	0	0	11	38
Stratford Town									
Q1 2009	7	0	0	0	0	0	0	0	7
Q1 2008	23	0	0	0	0	0	0	0	23
Cornwall Town									
Q1 2009	7	4	0	0	0	0	0	0	11
Q1 2008	8	2	0	0	0	0	0	0	10
Remainder of the CA									
Q1 2009	19	0	0	0	0	0	0	0	19
Q1 2008	31	0	0	0	0	0	0	0	31
Charlottetown CA									
Q1 2009	48	4	0	0	0	0	0	0	52
Q1 2008	83	8	0	0	0	0	0	11	102
COMPLETED & NOT ABSORBED									
Charlottetown City									
Q1 2009	0	0	0	0	0	2	4	17	23
Q1 2008	1	0	0	0	0	0	0	17	18
Stratford Town									
Q1 2009	0	0	0	0	0	0	0	0	0
Q1 2008	0	0	0	0	0	0	0	0	0
Cornwall Town									
Q1 2009	0	0	0	0	0	0	0	0	0
Q1 2008	0	0	0	0	0	0	0	0	0
Remainder of the CA									
Q1 2009	1	0	0	0	0	0	0	0	1
Q1 2008	0	0	0	0	0	0	0	0	0
Charlottetown CA									
Q1 2009	1	0	0	0	0	2	4	17	24
Q1 2008	1	0	0	0	0	0	0	17	18

Source: CMHC (Starts and Completions Survey, Market Absorption Survey)

Table 1.1: Housing Activity Summary by Submarket
First Quarter 2009

	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
ABSORBED									
Charlottetown City									
Q1 2009	16	0	0	0	0	2	0	14	32
Q1 2008	21	6	0	0	0	6	0	21	54
Stratford Town									
Q1 2009	7	0	0	0	0	0	0	0	7
Q1 2008	23	0	0	0	0	0	0	0	23
Cornwall Town									
Q1 2009	7	4	0	0	0	0	0	0	11
Q1 2008	8	2	0	0	0	0	0	0	10
Remainder of the CA									
Q1 2009	18	0	0	0	0	0	0	0	18
Q1 2008	31	0	0	0	0	0	0	0	31
Charlottetown CA									
Q1 2009	48	4	0	0	0	2	0	14	68
Q1 2008	83	8	0	0	0	6	0	21	118

Source: CMHC (Starts and Completions Survey, Market Absorption Survey)

Table 1.2: History of Housing Starts of Charlottetown CA 1999 - 2008

	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
2008	280	40	22	0	0	13	20	51	426
% Change	-5.1	-37.5	n/a	n/a	n/a	8.3	n/a	121.7	8.1
2007	295	64	0	0	0	12	0	23	394
% Change	6.9	45.5	n/a	n/a	n/a	-50.0	-100.0	-80.7	-15.6
2006	276	44	0	0	0	24	4	119	467
% Change	-8.3	-50.6	-100.0	n/a	-100.0	n/a	-75.0	**	4.2
2005	301	89	6	0	3	0	16	33	448
% Change	-9.1	64.8	-71.4	n/a	n/a	n/a	-65.2	-13.2	-8.6
2004	331	54	21	0	0	0	46	38	490
% Change	6.8	-3.6	**	n/a	n/a	n/a	35.3	-50.6	1.4
2003	310	56	6	0	0	0	34	77	483
% Change	11.9	115.4	n/a	n/a	n/a	n/a	-59.0	4.1	4.8
2002	277	26	0	0	0	0	83	74	461
% Change	16.9	8.3	n/a	n/a	n/a	n/a	**	**	57.3
2001	237	24	0	0	0	0	16	16	293
% Change	-9.9	**	n/a	n/a	n/a	n/a	-46.7	-11.1	-7.9
2000	263	6	0	0	0	0	30	18	318
% Change	15.9	50.0	n/a	n/a	n/a	n/a	-3.2	-69.0	-0.9
1999	227	4	0	0	0	0	31	58	321

Source: CMHC (Starts and Completions Survey)

Table 2: Starts by Submarket and by Dwelling Type First Quarter 2009											
Submarket	Single		Semi		Row		Apt. & Other		Total		
	Q1 2009	Q1 2008	Q1 2009	Q1 2008	Q1 2009	Q1 2008	Q1 2009	Q1 2008	Q1 2009	Q1 2008	% Change
Charlottetown City	7	7	0	0	0	0	3	13	10	20	-50.0
Stratford Town	4	7	0	2	0	0	0	0	4	9	-55.6
Cornwall Town	1	3	0	0	0	0	0	0	1	3	-66.7
Remainder of the CA	5	7	0	0	0	0	0	0	5	7	-28.6
Charlottetown CA	17	24	0	2	0	0	3	13	20	39	-48.7

Table 2.1: Starts by Submarket and by Dwelling Type January - March 2009											
Submarket	Single		Semi		Row		Apt. & Other		Total		
	YTD 2009	YTD 2008	YTD 2009	YTD 2008	YTD 2009	YTD 2008	YTD 2009	YTD 2008	YTD 2009	YTD 2008	% Change
Charlottetown City	7	7	0	0	0	0	3	13	10	20	-50.0
Stratford Town	4	7	0	2	0	0	0	0	4	9	-55.6
Cornwall Town	1	3	0	0	0	0	0	0	1	3	-66.7
Remainder of the CA	5	7	0	0	0	0	0	0	5	7	-28.6
Charlottetown CA	17	24	0	2	0	0	3	13	20	39	-48.7

Source: CMHC (Starts and Completions Survey)

Table 3: Completions by Submarket and by Dwelling Type First Quarter 2009											
Submarket	Single		Semi		Row		Apt. & Other		Total		
	Q1 2009	Q1 2008	Q1 2009	Q1 2008	Q1 2009	Q1 2008	Q1 2009	Q1 2008	Q1 2009	Q1 2008	% Change
Charlottetown City	15	21	0	6	0	0	0	11	15	38	-60.5
Stratford Town	7	23	0	0	0	0	0	0	7	23	-69.6
Cornwall Town	7	8	4	2	0	0	0	0	11	10	10.0
Remainder of the CA	19	31	0	0	0	0	0	0	19	31	-38.7
Charlottetown CA	48	83	4	8	0	0	0	11	52	102	-49.0

Table 3.1: Completions by Submarket and by Dwelling Type January - March 2009											
Submarket	Single		Semi		Row		Apt. & Other		Total		
	YTD 2009	YTD 2008	YTD 2009	YTD 2008	YTD 2009	YTD 2008	YTD 2009	YTD 2008	YTD 2009	YTD 2008	% Change
Charlottetown City	15	21	0	6	0	0	0	11	15	38	-60.5
Stratford Town	7	23	0	0	0	0	0	0	7	23	-69.6
Cornwall Town	7	8	4	2	0	0	0	0	11	10	10.0
Remainder of the CA	19	31	0	0	0	0	0	0	19	31	-38.7
Charlottetown CA	48	83	4	8	0	0	0	11	52	102	-49.0

Source: CMHC (Starts and Completions Survey)

Table 4: Absorbed Single-Detached Units by Price Range
First Quarter 2009

Submarket	Price Ranges										Total	Median Price ($)	Average Price ($)
	< $100,000		$100,000 - $149,999		$150,000 - $199,999		$200,000 - $249,999		$250,000 +				
	Units	Share (%)	Units	Share (%)	Units	Share (%)	Units	Share (%)	Units	Share (%)			
Charlottetown City													
Q1 2009	0	0.0	1	6.3	7	43.8	4	25.0	4	25.0	16	200,000	223,906
Q1 2008	0	0.0	5	23.8	7	33.3	3	14.3	6	28.6	21	185,000	210,714
Year-to-date 2009	0	0.0	1	6.3	7	43.8	4	25.0	4	25.0	16	200,000	223,906
Year-to-date 2008	0	0.0	5	23.8	7	33.3	3	14.3	6	28.6	21	185,000	210,714
Stratford Town													
Q1 2009	0	0.0	0	0.0	1	14.3	2	28.6	4	57.1	7	--	--
Q1 2008	0	0.0	1	4.3	6	26.1	8	34.8	8	34.8	23	220,000	226,087
Year-to-date 2009	0	0.0	0	0.0	1	14.3	2	28.6	4	57.1	7	--	--
Year-to-date 2008	0	0.0	1	4.3	6	26.1	8	34.8	8	34.8	23	220,000	226,087
Cornwall Town													
Q1 2009	0	0.0	0	0.0	3	42.9	3	42.9	1	14.3	7	--	--
Q1 2008	0	0.0	2	25.0	0	0.0	4	50.0	2	25.0	8	--	--
Year-to-date 2009	0	0.0	0	0.0	3	42.9	3	42.9	1	14.3	7	--	--
Year-to-date 2008	0	0.0	2	25.0	0	0.0	4	50.0	2	25.0	8	--	--
Remainder of the CA													
Q1 2009	0	0.0	6	33.3	6	33.3	3	16.7	3	16.7	18	185,000	193,889
Q1 2008	0	0.0	7	22.6	14	45.2	7	22.6	3	9.7	31	175,000	183,949
Year-to-date 2009	0	0.0	6	33.3	6	33.3	3	16.7	3	16.7	18	185,000	193,889
Year-to-date 2008	0	0.0	7	22.6	14	45.2	7	22.6	3	9.7	31	175,000	183,949
Charlottetown CA													
Q1 2009	0	0.0	7	14.6	17	35.4	12	25.0	12	25.0	48	197,500	231,719
Q1 2008	0	0.0	15	18.1	27	32.5	22	26.5	19	22.9	83	195,000	206,836
Year-to-date 2009	0	0.0	7	14.6	17	35.4	12	25.0	12	25.0	48	197,500	231,719
Year-to-date 2008	0	0.0	15	18.1	27	32.5	22	26.5	19	22.9	83	195,000	206,836

Source: CMHC (Market Absorption Survey)

Table 5: MLS® Residential Activity in Urban Centres*

Submarket	First Quarter 2009			First Quarter 2008			% Change		
	Sales	Average Sale Price ($)	New Listings	Sales	Average Sale Price ($)	New Listings	Sales	Average Sale Price ($)	New Listings
Charlottetown CA**	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
District 4	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
District 5	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
District 6	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
District 7	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Summerside CA	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Total	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Submarket	Year-to-date 2008			Year-to-date 2007			% Change		
	Sales	Average Sale Price ($)	New Listings	Sales	Average Sale Price ($)	New Listings	Sales	Average Sale Price ($)	New Listings
Charlottetown CA**	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
District 4	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
District 5	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
District 6	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
District 7	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Summerside CA	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Total	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

MLS® is a registered trademark of the Canadian Real Estate Association (CREA).
**District 4: Charlottetown City, Spring Park & West Royalty
**District 5: Sherwood, Parkdale, East Royalty & Hillsborough Parks
**District 6: Cornwall, North River & Winsloe
**District 7: Bunbury, Southport, Crossroads, Keppoch, Kinlock, Tea Hill, Alexandra to Cherry Valley

Source: PEI Real Estate Association

Table 6: Economic Indicators
First Quarter 2009

		Interest Rates			NHPI, Total, Charlottetown CMA 1997=100	CPI, 1992 =100	Prince Edward Island Labour Market			
		P & I Per $100,000	Mortage Rates (%)				Employment SA (,000)	Unemployment Rate (%) SA	Participation Rate (%) SA	Average Weekly Earnings ($) (P.E.I.)
			1 Yr. Term	5 Yr. Term						
2008	January	725	7.35	7.39	120.6	113.8	70.3	10.6	69.1	
	February	718	7.25	7.29	120.6	114.2	70.6	9.9	68.8	614
	March	712	7.15	7.19	119.3	115.3	71.0	10.5	69.7	613
	April	700	6.95	6.99	119.4	116.2	70.5	11.2	69.6	621
	May	679	6.15	6.65	119.4	118.3	70.8	9.6	68.7	629
	June	710	6.95	7.15	119.7	118.8	70.7	10.5	69.1	637
	July	710	6.95	7.15	119.7	119.2	69.7	10.6	68.2	639
	August	691	6.65	6.85	119.2	118.6	70.3	10.4	68.4	638
	September	691	6.65	6.85	119.2	119.6	70.4	11.3	68.9	632
	October	713	6.35	7.20	119.4	118.2	69.7	11.6	68.3	631
	November	713	6.35	7.20	119.4	116.6	69.5	10.8	67.5	635
	December	685	5.60	6.75	119.4	114.5	69.2	11.7	68.1	643
2009	January	627	5.00	5.79	119.6	114.0	68	11.9	67.2	655
	February	627	5.00	5.79	121.0	115.6	68.6	12.3	67.8	664
	March	613	4.50	5.55		115.5	68.7	11.5	67.2	671
	April									
	May									
	June									
	July									
	August									
	September									
	October									
	November									
	December									

"P & I" means Principal and Interest (assumes $ 100,000 mortgage amortized over 25 years using current 5 year interest rate)
"NHPI" means New Housing Price Index
"CPI" means Consumer Price Index
"SA" means Seasonally Adjusted

Source: CMHC, adapted from Statistics Canada (CANSIM), Statistics Canada (CANSIM)

METHODOLOGY

Starts & Completions Survey Methodology

The Starts and Completions Survey is conducted by way of site visits which are used to confirm that new units have reached set stages in the construction process. Since most municipalities in the country issue building permits, these are used as an indication of where construction is likely to take place. In areas where there are no permits, reliance has to be placed either on local sources or searching procedures.

The Starts and Completions Survey is carried out monthly in urban areas with population in excess of 50,000, as defined by the 2006 Census. In urban areas with populations of 10,000 to 49,999, all Starts are enumerated in the last month of the quarter (i.e. four times a year, in March, June, September and December). In these centres with quarterly enumeration, Completion activity is modelled based on historical patterns. Monthly Starts and Completions activity in these quarterly locations are statistically estimated at a provincial level for single and multi categories. Centres with populations below 10,000 are enumerated on a sample basis, also in the last month of each quarter (i.e. four times a year, in March, June, September and December).

The Starts and Completions Survey enumerates dwelling units in new structures only, designed for non-transient and year-round occupancy.

Mobile homes are included in the surveys. A mobile home is a type of manufactured house that is completely assembled in a factory and then moved to a foundation before it is occupied.

Trailers or any other movable dwelling (the larger often referred to as a mobile home) with no permanent foundation are excluded from the survey.

Conversions and/or alterations within an existing structure are excluded from the surveys as are seasonal dwellings, such as: summer cottages, hunting and ski cabins, trailers and boat houses; and hostel accommodations, such as: hospitals, nursing homes, penal institutions, convents, monasteries, military and industrial camps, and collective types of accommodation such as: hotels, clubs, and lodging homes.

Market Absorption Survey Methodology

The Market Absorption Survey is carried out in conjunction with the Starts and Completions Survey in urban areas with populations in excess of 50,000. When a structure is recorded as completed, an update is also made as units are sold or rented. The dwellings are then enumerated each month until such time as full absorption occurs.

STARTS AND COMPLETIONS SURVEY AND MARKET ABSORPTION SURVEY DEFINITIONS

A "**dwelling unit**", for purposes of the Starts and Completions Survey, is defined as a structurally separate set of self-contained living premises with a private entrance from outside the building or from a common hall, lobby, or stairway inside the building. Such an entrance must be one that can be used without passing through another separate dwelling unit.

A "**start**", for purposes of the Starts and Completions Survey, is defined as the beginning of construction work on a building, usually when the concrete has been poured for the whole of the footing around the structure, or an equivalent stage where a basement will not be part of the structure.

The number of units "**under construction**" as at the end of the period shown, takes into account certain adjustments which are necessary for various reasons. For example, after a start on a dwelling has commenced construction may cease, or a structure, when completed, may contain more or fewer dwelling units than were reported at start.

A "**completion**", for purposes of the Starts and Completions Survey, is defined as the stage at which all the proposed construction work on a dwelling unit has been performed, although under some circumstances a dwelling may be counted as completed where up to 10 per cent of the proposed work remains to be done.

The term "**absorbed**" means that a housing unit is no longer on the market (i.e. has been sold or rented). This usually happens when a binding contract is secured by a non-refundable deposit and has been signed by a qualified purchaser. The purpose of the Market Absorption Survey is to measure the rate at which units are sold or rented after they are completed, as well as collect prices.

DWELLING TYPES:

A "**Single-Detached**" dwelling (also referred to as "**Single**") is a building containing only one dwelling unit, which is completely separated on all sides from any other dwelling or structure. Includes link homes, where two units may share a common basement wall but are separated above grade. Also includes cluster-single developments.

A "**Semi-Detached (Double)**" dwelling (also referred to as "**Semi**") is one of two dwellings located side-by-side in a building, adjoining no other structure and separated by a common or party wall extending from ground to roof.

A "**Row (Townhouse)**" dwelling is a one family dwelling unit in a row of three or more attached dwellings separated by a common or party wall extending from ground to roof.

The term "**Apartment and other**" includes all dwellings other than those described above, including structures commonly known as stacked townhouses, duplexes, triplexes, double duplexes and row duplexes.

INTENDED MARKET:

The "**intended market**" is the tenure in which the unit is being marketed. This includes the following categories:

Freehold: A residence where the owner owns the dwelling and lot outright.

Condominium (including Strata-Titled): An individual dwelling which is privately owned, but where the building and/or the land are collectively owned by all dwelling unit owners. A condominium is a form of ownership rather than a type of house.

Rental: Dwelling constructed for rental purposes regardless of who finances the structure.

GEOGRAPHICAL TERMS:

A census metropolitan area (CMA) or a census agglomeration (CA) is formed by one or more adjacent municipalities centred on a large urban area (known as the urban core). The census population count of the urban core is at least 10,000 to form a census agglomeration and at least 100,000 to form a census metropolitan area. To be included in the CMA or CA, other adjacent municipalities must have a high degree on integration with the central urban area, as measured by commuting flows derived from census place of work data. CMAs and CAs contain whole municipalities or Census Subdivisions.

A "**Rural**" area, for the purposes of this publication, is a centre with a population less than 10,000.

All data presented in this publication is based on Statistics Canada's 2006 Census area definitions, except the Economic Indicators data (Table 6) which is based on Statistics Canada's 2001 Census area definitions.

CMHC—HOME TO CANADIANS

Canada Mortgage and Housing Corporation (CMHC) has been Canada's national housing agency for more than 60 years.

Together with other housing stakeholders, we help ensure that the Canadian housing system remains one of the best in the world. We are committed to helping Canadians access a wide choice of quality, environmentally sustainable and affordable homes – homes that will continue to create vibrant and healthy communities and cities across the country.

For more information, visit our website at www.cmhc.ca

You can also reach us by phone at 1-800-668-2642 or by fax at 1-800-245-9274.
Outside Canada call 613-748-2003 or fax to 613-748-2016.

Canada Mortgage and Housing Corporation supports the Government of Canada policy on access to information for people with disabilities. If you wish to obtain this publication in alternative formats, call 1-800-668-2642.

The Market Analysis Centre's (MAC) electronic suite of national standardized products is available for free on CMHC's website. You can view, print, download or subscribe to future editions and get market information e-mailed automatically to you the same day it is released. It's quick and convenient! Go to www.cmhc.ca/housingmarketinformation

For more information on MAC and the wealth of housing market information available to you, visit us today at www.cmhc.ca/housingmarketinformation

To subscribe to priced, printed editions of MAC publications, call 1-800-668-2642.

©2009 Canada Mortgage and Housing Corporation. All rights reserved. CMHC grants reasonable rights of use of this publication's content solely for personal, corporate or public policy research, and educational purposes. This permission consists of the right to use the content for general reference purposes in written analyses and in the reporting of results, conclusions, and forecasts including the citation of limited amounts of supporting data extracted from this publication. Reasonable and limited rights of use are also permitted in commercial publications subject to the above criteria, and CMHC's right to request that such use be discontinued for any reason.

Any use of the publication's content must include the source of the information, including statistical data, acknowledged as follows:

Source: CMHC (or "Adapted from CMHC," if appropriate), name of product, year and date of publication issue.

Other than as outlined above, the content of the publication cannot be reproduced or transmitted to any person or, if acquired by an organization, to users outside the organization. Placing the publication, in whole or part, on a website accessible to the public or on any website accessible to persons not directly employed by the organization is not permitted. To use the content of any CMHC Market Analysis publication for any purpose other than the general reference purposes set out above or to request permission to reproduce large portions of, or entire CMHC Market Analysis publications, please contact: the Canadian Housing Information Centre (CHIC) at mailto:chic@cmhc.gc.ca; 613-748-2367 or 1-800-668-2642.

For permission, please provide CHIC with the following information:
Publication's name, year and date of issue.

Without limiting the generality of the foregoing, no portion of the content may be translated from English or French into any other language without the prior written permission of Canada Mortgage and Housing Corporation.

The information, analyses and opinions contained in this publication are based on various sources believed to be reliable, but their accuracy cannot be guaranteed. The information, analyses and opinions shall not be taken as representations for which Canada Mortgage and Housing Corporation or any of its employees shall incur responsibility.

STAY ON TOP OF THE HOUSING MARKET

Enhance your decision-making with the latest information on Canadian housing trends and opportunities.

CMHC's Market Analysis Centre e-reports provide a wealth of detailed local, provincial, regional and national market information.

- Forecasts and Analysis – Future-oriented information about local, regional and national housing trends.
- Statistics and Data – Information on current housing market activities — starts, rents, vacancy rates and much more.

Free reports available on-line:

- Canadian Housing Statistics
- Housing Information Monthly
- Housing Market Outlook, Canada
- Housing Market Outlook, Highlight Reports - Canada and Regional
- Housing Market Outlook, Major Centres
- Housing Now, Canada
- Housing Now, Major Centres
- Housing Now, Regional
- Monthly Housing Statistics
- Northern Housing Outlook Report
- Preliminary Housing Start Data
- Renovation and Home Purchase
- Rental Market Highlight Reports
- Rental Market Reports, Major Centres
- Rental Market Statistics

Free regional reports also available:

- B.C. Seniors' Housing Market Survey
- Ontario Retirement Homes Report
- The Retirement Home Market Study, Quebec Centres
- Housing Market Tables: Selected South Central Ontario Centres
- Residential Construction Digest, Prairie Centres
- Analysis of the Resale Market, Quebec Centres

Get the market intelligence you need today!
Click www.cmhc.ca/housingmarketinformation to view, download or subscribe.

Client e-Update

A monthly e-newsletter that features the latest market insight, housing research and information to help housing finance professionals enhance client relationships and grow their business.

64195_2009_Q02